

COMMITTEE LANGUAGE FOR FISCAL YEAR 1997

F-14 SERIES ACCOUNT: APN

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
231,974	234,574	231,974	234,574	241,974	231,974	236,974

F-14 UPGRADE ACCOUNT: RDT&E

PRESBUD	HNSC	SASC	CASC	HAC	SAC	CAC
9,879	9,879	9,879	9,879	9,879	9,879	9,879

SASC LANGUAGE (Rpt. 104-267)

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Light airborne multi-purpose system helicopter program

The Navy has embarked on a program to convert its existing fleet of light airborne multi-purpose system (LAMPS) helicopters from the SH-60B configuration to the SH-60R configuration. It is planned that other Navy H-60 series helicopters, such as the HH-60, a search and rescue variant, and the SH-60F, an ASW variant with a dipping sonar, will also eventually be converted to the SH-60R configuration. However, the Navy's helicopter master plan, under which these conversions are included, has been in a constant state of flux for at least the past two years and, in the committee's opinion, has lacked the focus needed to properly compete for resources as the defense budget, particularly the acquisition portion, has declined in recent years.

The committee has learned that the LAMPS SH-60B to SH-60R development program is seriously short of resources. Since fiscal year 1995, it has gone through requirements restructuring, contractual rebaselining, efforts at cost reduction through acquisition reform initiatives, contractor investment, and an increasing contractor inventory of accrued cost that has not been paid. While the Navy and contractor team has maintained technical progress towards the planned fiscal year 2001 initial operational capability (IOC) date, the funding level contained in the fiscal year 1997 budget request would be insufficient to sustain this effort. Since the program was originally structured to permit conversion to the SH-60R configuration to occur during scheduled depot maintenance or service life extension overhauls, the delay in program development that would result from the fiscal year 1997 budget request would likely also cause a substantial increase in conversion costs and might render the program unaffordable.

The committee recommends an increase of \$6.8 million in PE 64212N to restore funds that were removed from the SH-60R development program during preparation of the fiscal year 1997 budget request. This additional funding will support a critical design review in fiscal year 1997 and maintain the program's progress toward a fiscal year 2001

IOC. The committee also recommends an increase of \$10.0 million for the procurement of additional SH-60B upgrade kits to replace funds that were removed from the program to pay for F-14 digital flight control improvements.

CASC LANGUAGE (Rpt.104-724)

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F-14 aircraft modifications

The budget request included \$232.0 million for F-14 modifications, of which \$13.9 million was for continued operation and maintenance of the F-14 tactical air reconnaissance pod system (TARPS).

The House bill would authorize an increase of \$2.6 million to fund continued TARPS reliability/supportability upgrades.

The Senate amendment would authorize the request.

The Senate recedes.

The conferees are aware of the continued reliance on TARPS by the Navy and accordingly agree to authorize the addition of \$2.6 million for TARPS upgrades.

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Light airborne multi-purpose system helicopter program

The budget request included \$40.1 million in PE 64212N for helicopter development.

Among the programs funded by PE 64212N is the Navy program to convert its existing fleet of light airborne multi-purpose system (LAMPS) helicopters from the SH-60B configuration to the SH-60R configuration. It is planned that other Navy H-60 series helicopters, such as the HH-60, a search and rescue variant, and the SH-60F, an ASW variant with a dipping sonar, will also eventually be converted to the SH-60R configuration. However, the Navy's helicopter master plan, under which these conversions are included, has been in a constant state of flux for at least the past two years and, in the conferees' opinion, has lacked the focus needed to properly compete for resources as the defense budget, particularly the acquisition portion, has declined in recent years.

The conferees are aware that the LAMPS SH-60B to SH-60R development program is short of resources. Since fiscal year 1995, it has gone through requirements restructuring, contractual rebaselining, efforts at cost reduction through acquisition reform initiatives, contractor investment, and an increasing contractor inventory of accrued cost that has not been paid. While the Navy and contractor teams have maintained technical progress towards the planned fiscal year 2001 initial operational capability (IOC) date, the funding level contained in the fiscal year 1997 budget request would be insufficient to sustain this effort. Because the program was originally structured to permit conversion to the SH-60R configuration to occur during scheduled depot maintenance or service life extension overhauls, the delay in program development that would result from the fiscal year 1997 budget request would likely also cause a substantial increase in conversion costs and might render the program unaffordable.

The Senate amendment would authorize an increase of \$6.8 million in PE 64212N to restore funds that were removed from the SH-60R development program during preparation of the fiscal year 1997 budget request. This additional funding would permit a critical design review to occur in fiscal year 1997 and maintain the program's progress toward a fiscal year 2001 IOC. The Senate amendment would also authorize an increase of \$10.0 million for the procurement of additional SH-60B upgrade kits to replace funds that were removed from the program during fiscal year 1996 to pay for F-14 digital flight control improvements.

The House bill would authorize the request amount.

The conferees agree to authorize an increase of \$6.8 million in PE 64212N for the SH-60R development program. An increase of \$10.0 million for the procurement of additional SH-60B upgrade kits is not authorized.

The House bill would authorize the request amount.

HAC LANGUAGE (Rpt. 104-617)

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F-14 SERIES

The Navy requested \$231,974,000 for F-14 modifications. The Committee recommends \$241,974,000, an increase of \$10,000,000 only for the digitization of TARPS prototype pods with emphasis on TARPS CD. The Committee believes that the Air Force should provide 70 AAD-5 (RC line scanners) to the Navy for this purpose.